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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

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In the Matter of)
)
Amendment of Part 90 of the)
Commission's Rules to Adopt)
Regulations for Automatic Vehicle)
Monitoring Systems)
Telecommunications Act of 1996)

PR Docket No. 93-61

To: The Commission:

REPLY COMMENTS OF TELETRAC, INC.

TELETRAC, INC.

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November 20, 1997

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Teletrac, Inc. ("*Teletrac*")^{1/} hereby submits its reply comments in response to the Commission's Memorandum Opinion and Order and Further Notice of Proposed Rule Making, PR Docket 93-61, FCC 97-305 (released September 16, 1997) (the "*LMS Further Notice*").

I. INTRODUCTION

Teletrac urges the Commission to begin the LMS auction soon and to provide a means by which prospective participants can obtain prior determinations of their affiliation status.

II. THE COMMISSION SHOULD BEGIN THE LMS AUCTION AS SOON AS POSSIBLE.

Teletrac agrees with Comtrak's comments urging the Commission to begin the LMS auction as soon as possible. By February of next year, three years will have gone by since the

^{1/} Teletrac, Inc. is the parent company of Teletrac License, Inc., which operates multilateration LMS systems pursuant to grand fathered multilateration LMS authorizations.

Commission stopped accepting applications for new multilateration LMS authorizations, in preparation for LMS auctions. Teletrac respects the need for careful preparation and understands that the Commission has limited resources at its disposal, but at this point there is no reason for further delay. All issues that might justify postponement of the licensing process have been exhaustively analyzed, with ample opportunity for public comment. Prospective entrants have had more than adequate notice of the impending LMS auction. Serious participants have arranged for financing, have assembled their management teams, and are waiting. Maintaining these resources involves time value and expense, and every month that passes drains resources that could otherwise be used for system construction.

III. THE COMMISSION SHOULD PROVIDE PRELIMINARY INTERPRETATIONS OF ITS AFFILIATION RULES BEFORE THE LMS AUCTION BEGINS

In its comments, Comtrak states that it has reviewed the FCC's definition of an "affiliate" in past FCC auction orders and has found the definition to be unclear. It urges the Commission to establish a clear definition of what constitutes control, including examples of the kinds of financial investments that will cause an investor or its affiliates to become affiliates of the small business applicant. Teletrac supports Comtrak's quest for greater clarity but believes that further definitional pronouncements, although useful, will not by themselves provide sufficient clarity.

For the auction of licenses for broadband PCS blocks C and F, the Commission issued very detailed rules, exceptions to the rules, and exceptions to the exceptions regarding affiliation

definitions.^{2/} Despite that, the Commission found itself plunged into controversies when disappointed bidders charged that some of the winning bidders were secretly controlled by other companies.^{3/} Having recognized that case-by-case determinations will be necessary regardless of how detailed its affiliation rules may be, the Commission has proposed to use for LMS the definition of affiliate contained in Subpart Q of its Rules.^{4/} This definition is less complicated than the affiliate definitions that were used for broadband PCS blocks C and F, but the less complicated definition is also more ambiguous.^{5/}

Whether or not the Commission accepts Comtrak's suggestion to clarify its definition of affiliation, the Commission should also establish a process by which prospective bidders can obtain a determination of their affiliation status before the auction begins. Teletrac recognizes that it might not be feasible to provide preliminary determinations for all applicants before every auction, but at this point it would appear that there will be a limited number of bidders for LMS licenses. Providing preliminary determinations of affiliation status before the auction begins need not be administratively burdensome, and could help to ensure that LMS system construction will proceed without delay.

^{2/} 47 C.F.R. §24.709.

^{3/} See, e.g., In re Applications of NextWave Personal Communications, Inc. for Various C-Block Broadband PCS Licenses, *Memorandum Opinion and Order* (DA-97-328, released Feb. 14, 1997).

^{4/} 47 C.F.R. §1.2110(b)(4).

^{5/} Compare 47 C.F.R. §1.2110(b)(4) with 47 C.F.R. §24.709(a) and (b).

Avoiding delay is especially important in this situation because multilateration LMS is a new technology whose full potential has not yet been fully demonstrated in operational systems. To the extent that technology leaders can prove the commercial viability of LMS in early deployments, the investment community will be more likely to fund development of LMS systems owned by them and by other companies. By contrast, if the technology leaders suffer delays arising out of controversies over interpretation of the affiliation rules, the viability of the entire service could be jeopardized.

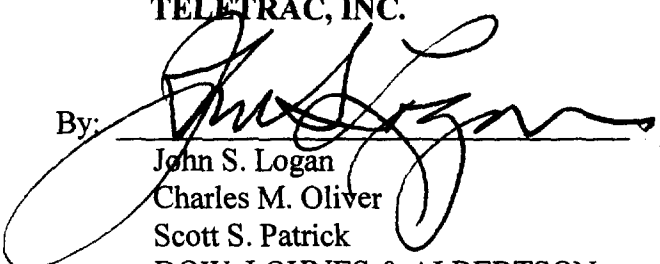
IV. CONCLUSION

Teletrac agrees with the one other commenter in this proceeding that the LMS auction should begin as soon as possible. Teletrac also agrees that clarification of the applicable affiliation rules would be helpful but believes that a definitional approach will not, by itself, suffice to avert controversies after the auction concludes. The Commission should establish a process by which prospective bidders can obtain at least preliminary determinations of their affiliation status before the LMS auction begins.

Respectfully submitted,

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November 20, 1997

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CERTIFICATE OF SERVICE

I, Tracie R. Ivey, a secretary at the law firm of Dow, Lohnes & Albertson, do hereby certify that on this 20th day of November, 1997, I caused copies of the foregoing "Reply Comments of Teletrac, Inc." to be served via hand delivery to the following:

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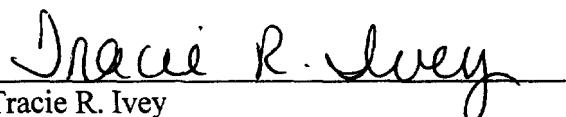
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